

1 May 1958

EIC/S BRIEF ON SUBCOMMITTEE ON MINERALS AND METALS

REFERENCES: General Concepts and Functions of EIC Subcommittees,
EIC-D-123/2, 20 December 1955
SC Terms of Reference, approved November 1953
SC Annual Report for FY 1956, see EIC-D-187,
19 October 1956
SC Annual Report for FY 1957, see EIC-D-249,
18 September 1957
Recapitulation of EIC Subcommittee Activities,
FY 1955, FY 1956, and First Half FY 1957 (Chart)

1. This Subcommittee has been relatively inactive, except in the field of exchanges, meeting only as required. In FY 1955 the SC held 1 meeting; in FY 1956, 3 meetings; in FY 1957, 3 meetings; and so far in FY 1958 has held 3 meetings. The SC's principal activity during FY 1957 was the consideration, in support of the IAC Ad Hoc Committee on Exchanges, of proposed exchanges with USSR of delegations of specialists in the fields of ferrous metallurgy, nonferrous metallurgy, and mining. Two meetings in FY 1958 were on exchanges and one considered the SC Annual Report to the EIC and a progress report on Priority Research Deficiencies in their field.

2. The SC evaluates its role as follows:

"Although CIA/RR is the only member accepting responsibility for the production of official estimates on a comprehensive, continuing basis in the SC's field, the SC provided a useful channel of communication among the member organizations."*

3. Future program of the SC:

"It is proposed that the Subcommittee continue to be available for ad hoc consultation on appropriate subjects and to review annually priority intelligence deficiencies in its field."*

* From SC Annual Report to the EIC, FY 1957.

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NOTES AND RECOMMENDATIONS (For Chairman Only)

4. The following agencies are represented on this Subcommittee:

CIA	[REDACTED] Chairman
25X1A9a	[REDACTED] Executive Secretary (Nonferrous) Scientific Consultant)
State	Mrs. Jean H. Marburg Klaie M. Quick (Alternate)
Air Force	Donald L. Zoll
Commerce	Charles E. Grim
Interior	Frank D. Lamb
ICA	Theodore L. Sweet Caldwell M. Watts (Alternate)
OSD	Carl Rolle

5. In the data recently submitted for the survey of government personnel engaged in economic intelligence and related economic research (EIC-S-30), the following was reported for Minerals and Metals:

<u>Bloc</u>	<u>One-man full-time equivalents</u>				<u>Total</u>
	<u>USSR</u>	<u>Eastern Europe Excl. USSR</u>	<u>Com. China & Far East Sats.</u>	<u>Sino-Soviet Bloc</u>	
State	0	0	0.10	0.40	0.50
Army	0.37	0.27	0.14	0	0.78
Air Force **	3.00	0	0	5.70	8.70
CIA ***	2.10	7.00	4.30	3.10	16.50
Commerce	0	0	0	1.00	1.00
Interior	0.60	0.06	0.14	3.10	3.90
Total	6.07	7.33	4.68	13.30	31.38

<u>Non-Bloc</u>	<u>Europe</u>	<u>Africa</u>	<u>Near East</u>	<u>S. & S.E. Asia and Far East</u>	<u>Western Hemisphere</u>	<u>Non- Bloc</u>	<u>Total</u>
State	0	0	0	0.10	0	0.95	1.05
Army	0.49	0.05	0.06	0.26	0.05	0.45	1.36
CIA	0	0	0	0	0	0	0
Commerce	0	0	0	0	0	11.10	11.10
Interior ****	2.00	2.50	1.50	2.00	4.00	13.00	25.00
Total	2.49	2.55	1.56	2.36	4.05	25.50	38.51

* Includes ferrous and nonferrous metals except coal and peat, oil and oil shale, and radioactive metals and minerals.

** Includes contract personnel as follows: USSR - 3.00; Sino-Soviet Bloc - 1.00; Total - 4.00

*** This does not include all personnel assigned to M/NF and M/FM - 22.0, which includes also personnel working on specialized aspects such as military and atomic energy end use, economic defense, international

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Of the agencies reporting personnel for Minerals and Metals, only the Department of the Army has no representation on the Subcommittee. On the other hand, ICA and OSD, who do not report personnel specifically engaged in work in this category, are represented on the Subcommittee.

6. The relative inactivity of the SC, in matters other than exchange delegations, arises in part from the fact that CIA/ORR is the only member accepting responsibility for the production of official estimates on the Sino-Soviet Bloc on a comprehensive continuing basis. The SC covers divergent fields of specialization -- ferrous and nonferrous metals -- and the substantive competence of many SC members is limited. As a matter of fact, besides CIA, the State representative is the only SC member with substantive competence in the field -- and, to the extent required, bilateral coordination is carried out regularly. Some of the SC members have occasion to use the ORR estimates and the SC structure provides an opportunity for briefing these members on supporting methodology and data, as well as providing a useful vehicle for interagency coordination of other activities in the SC field. Annual review of progress in filling recognized Priority Deficiencies in Research (copy of which was attached to the SC annual report) indicates the CIA/ORR predominance in Bloc research in this field.

7. In 1955, a "poll" of the SC members as to the value and usefulness of the work and of faults in the SC operation gave an indication that some members felt there might be wider community interest and participation if the SC members knew more about what was needed and if the problems were discussed more fully. It was recognized that the SC was a useful means of interagency coordination. No such "across-the-board" evaluation of the work of the SC has been had since that time.

8. Along with all the other SCs, it would be well for the SC to take a look at the Basic Concepts and Functions of Subcommittees and at the recently revised Priority Intelligence Objectives and see what it can do to make the SC more responsive to community needs, and perhaps arouse wider community interest. In this connection, the SC Terms of Reference should be updated -- along with those of the other SCs -- as soon as the revised "Model Terms of Reference" are available.]

9. Consideration might be given to some shift in emphasis of SC activities since the ferrous field is fairly well covered and more attention might be given to nonferrous metals, particularly the most "exotic" ones. Wider emphasis might also be given to non-Bloc minerals and metals, particularly as related to Bloc economic penetration of non-Bloc areas and in connection with the proposed updating of EIC-R-5 now under EIC consideration.

(Footnotes continued from previous page)

trade, and economic penetration.

*** Includes contract personnel as follows: Europe - 0.50; Africa - 1.00; Western hemisphere - 1.50; Non-Bloc - 2.00; Total - 5.00.

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NOTES AND RECOMMENDATIONS (For Chairman Only)

The following agencies are
4. Representation on ~~the~~ Subcommittee:

CIA - [redacted] Chairman
[redacted], Executive Secretary

[redacted] (nonferrous)
scientific consultant)

State - Mrs. Jean H. Marburg
Elsie M. Quick (alternate)

Air Force - Donald L. Zoll

Commerce - Charles E. Grim

Interior - Frank D. Lamb

ICA - Theodore L. Sweet
Caldwell M. Watts (alternate)

OSD - Dr. Robert B. McCormick (being replaced by Carl Rolle)

5. The inactivity of the subcommittee, in matters other than exchange delegations, arises ^{in part} from the fact that CIA/RR is the only member accepting responsibility for the production of official estimates on a comprehensive continuing basis in the SC field. Some of the members have occasion to use the estimates and ~~it is~~ the SC structure provides an opportunity for review of supporting methodology and data. Annual review of progress in filling recognized Priority Deficiencies in Research (copy of which is attached to the SC annual report) indicates the CIA/RR predominance in research in this field.

6. The 1955 "Poll" of SC members as to the value and usefulness of the work and faults in the SC operation give some indication that there might be wider community/participation if the SC knew more about what was needed and if the problems were discussed more fully, e.g. methods used, limitations, etc. for basic statistics. No such "around-the-board" evaluation has been had since that time -- but it might be well for the SC to take a look at the Basic Concepts and Functions of Subcommittees and see what it can do to arouse wider community interest and a SC more responsive to community needs. ~~It~~ In this connection, the SC Terms of

This SC also puts together 2 weekly digest fields of special interest from various members' memos - along with memos in both fields.

SUBCOMMITTEE ON MINERALS AND METALS

Activities FY 57 & 1/2 half FY 1958

M-5 - 5/8/56 Exchanges - steel industry
P.M. on NIE 13-56

7/23/56
M-6 - 8/2/56 Exchanges - Six-Phase Exchange Program - steel-industry
Future Activities of SC: Review of Substantive Papers (CIA, major
producer, reluctant to have reviewed
prior to publication -- but members
comments would be welcome after pub.
State & AF tho't further discussion of agreed
basic statistics might be helpful, etc.
SC to continue to serve as means of informal contact and forum for
determining interagency opinions in field. Mtgs as deemed
desirable to discuss basic statistics, substantive reports &
other matters of interest

10/17/56
M-7 ~~2/2~~ ? Exchanges (see Ann. Rpt.)

M-8 - 5/23/57 Exchanges- nonferrous metallurgy and mining

M-9 - 7/24/57 SC Annual report and progress report on priority research deficiencies
(no minutes)

M-10? - 9/20/57 Exchanges
(no minutes & no formal agenda)

M-11 1/31/58 - Ferroalloy exchange